

# life and DI combo sales sales strategy

**With a disabling injury occurring in the US every 1 second<sup>1</sup>, how can you afford not to offer disability income insurance to your clients? Not only would a disability affect their financial plan, but if they aren't able to pay their premiums, how will that affect your financial plan?**

## Protect Your Sales With One Application

If you had a client come to you wanting to put a plan in place to protect their family's financial future, would disability income insurance be a part of that conversation? Many people are unaware of the danger that they may become disabled, or of the resulting loss of income they may suffer due to a prolonged disability. As a result, disability income insurance is often overlooked.

The truth is, only 18% of consumers recall being approached about buying disability insurance—less than half as many as those being approached for life insurance<sup>2</sup>. Life insurance is one of the easier products to sell because most people view it as a necessity and understand its concept and benefits. While it may be difficult to initiate a conversation about disability income insurance, insuring against premature death and disability are equally important parts of safeguarding a family's future.

One way to make the process easier is by offering the Life and DI Limited Underwriting Program. Through this program you can:

- Obtain up to \$300,000 in life insurance for your client
- Replace up to 60% of your client's income in the event of disability
- Sell both products with one application
- Sell both products with reduced underwriting—no exam or lab work is required

You can also make the process more affordable by using the 2% Strategy. Some clients may object to having both policies, thinking it is more than they can afford. The 2% Strategy bases the premiums paid for both policies on just 2% of your client's current gross income.

## The Facts Speak For Themselves

Look at a typical female, age 35. She's 5'4", 125 pounds and a non-smoker who leads a healthy lifestyle. She has worked as a graphic designer for three years and earns just over \$75,000 per year. She has the following risks<sup>3</sup>:

- A 24% chance of becoming disabled for 3 months or longer during her working career
- A 38% chance that the disability would last 5 years or longer
- The average disability for someone like her lasts 82 months

Use the Life and DI Limited Underwriting Program to cover all of her future income risks. As a Preferred NT for life and a 5A occupational class for DI, earning \$75,000, she may get<sup>4</sup>:

- 10 year term life insurance with a \$250,000 death benefit = a monthly premium of \$12.92
- Guaranteed Renewable DI insurance with a \$3,900 per month benefit<sup>5</sup> = a monthly premium of \$110.54

**Her annual premiums would equal \$1,481.52, or 2.0% of her annual gross income.**



Now take a typical male, age 35. He's 5'10", 170 pounds and a non-smoker who leads a healthy lifestyle. He has worked as a Systems Analyst for several years and earns just over \$75,000. He has the following risks<sup>3</sup>:

- A 21% chance of becoming disabled for 3 months or longer during his working career
- A 38% chance that the disability would last 5 years or longer
- The average disability for someone like him lasts 82 months

Again, the Life and DI Limited Underwriting Program can protect him from future income risks. As a Preferred NT for life and a 5A occupational class for DI, earning \$75,000, he may get<sup>4</sup>:

- 10 year term life insurance with a \$250,000 death benefit = a monthly premium of \$13.78
- Guaranteed Renewable DI insurance with a \$3,900 per month benefit<sup>5</sup> = a monthly premium of \$62.55

**His annual premiums would equal \$915.96, or 1.2% of his annual gross income.**

## Help is Just a Phone Call Away

Despite the fact that more than 70% of American households rely on two incomes to make ends meet, only 26% of Americans have any type of disability insurance.<sup>6</sup> Considering that disability is more common than most people realize—in the last 10 minutes, 498 Americans became disabled<sup>7</sup>—it is imperative that you initiate a conversation with your clients about the importance of income protection.

Your Ameritas Sales Development Team, 800-319-6903, option 1, is available to answer your questions and discuss how to meet all of your clients' protection needs.

### Target Market

Your prospects will tend to be relatively young professionals, executives or business owners earning an average of \$65,000 in income. They will usually have limited discretionary income and savings and most likely live from paycheck to paycheck.



<sup>1</sup> National Safety Council, Injury Facts 2008 Ed

<sup>2</sup> Facts from LIMRA May 2010 Multimedia Fact Sheet, based on findings from LIMRA's life insurance consumer studies.

<sup>3</sup> Source: [http://www.disabilitycanhappen.org/chances\\_disability/disability\\_stats.asp](http://www.disabilitycanhappen.org/chances_disability/disability_stats.asp)

<sup>4</sup> Premiums are based on 1/1/2012 rates and are subject to change.

<sup>5</sup> Coverage includes: Guaranteed Renewable DI insurance with a \$3,900 per month benefit (base plus Social Insurance Substitute Rider), 90 day Elimination Period, Benefits Payable for 10 years, Enhanced Residual rider, Future Increase Option rider for \$2200, and Automatic Increase Rider. Disability is defined as Own Occupation for the length of the benefit period.

<sup>6</sup> Facts from LIMRA May 2010 Multimedia Fact Sheet, based on findings from LIMRA's life insurance consumer studies.

<sup>7</sup> National Safety Council, Injury Facts 2008 Ed.

The Life and DI Limited Underwriting Program is not available in California. Life insurance products and disability income products are issued by Ameritas Life Insurance Corp. in approved states. In New York, Life insurance products and Disability Income products are issued by Ameritas Life Insurance Corp. of New York.

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